

PROVINCE OF BRITISH COLUMBIA

Ministry of Forests, Lands and Natural Resources Operations

IN THE MATTER OF TREE FARM LICENCE 1

INSTRUMENT NUMBER 104

Amendment

THIS AGREEMENT is made effective the 18th day of JUNE, 2014.

BETWEEN:

**THE MINISTER OF FORESTS LANDS AND NATURAL RESOURCE
OPERATIONS**, on behalf of

HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA

Parliament Buildings

Victoria, British Columbia V8V 1X4

(the "Minister")

AND:

COAST TSIMSHIAN RESOURCES LIMITED PARTNERSHIP

4905 Keith Avenue

Terrace, BC

V8G 4B1

(the "Licensee")

WHEREAS:

- A. Ministry of Aboriginal Relations and Reconciliation and the Kitsumkalum First Nations have identified an area of Tree Farm Licence 1 that is of significant interest to the Kitsumkalum First Nations.
- B. In accordance with the *Forest Act*, the Minister and Licensee entered into a replacement agreement for Tree Farm Licence 1 dated January 1, 2008.
- C. The Licensee provided consent for this deletion in the attached letter of agreement signed on July 13, 2012, to facilitate the Interim Treaty Agreement with Kitsumkalum First Nations.

THEREFORE:

In accordance with Section 39.1(1) of the *Forest Act*, the Minister, with the consent of the Licensee, amends the area of Tree Farm Licence 1 by deleting the area identified on the Instrument 104 map.


The Minister and the Licensee agree that Schedule B of Tree Farm Licence 1 is hereby amended to reflect the land deletion of 18.7 hectares as described above.

In accordance with the *Allowable Annual Cut Administration Regulation*, the deletion described above reduces the Allowable Annual Cut of Tree Farm Licence 1 by 0 m³/year.

This agreement has been executed by on the day and year first written above.

SIGNED, SEALED AND DELIVERED)
by the MINISTER OF FORESTS, LANDS)
AND NATURAL RESOURCE)
OPERATIONS on behalf of Her Majesty)
The Queen in Right of the Province of)
British Columbia in the presence of:)




A/ ASSISTANT DEPUTY MINISTER
TENURES, COMPETITIVENESS AND
INNOVATION DIVISION
OF FORESTS, LANDS
AND NATURAL RESOURCE
OPERATIONS

THEREFORE:

In accordance with Section 39.1(1) of the *Forest Act*, the Minister, with the consent of the Licensee, amends the area of Tree Farm Licence 1 by deleting the area identified on the Instrument 104 map.

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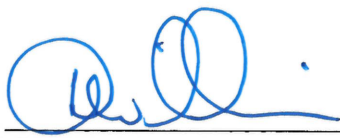
This agreement has been executed by on the day and year first written above.

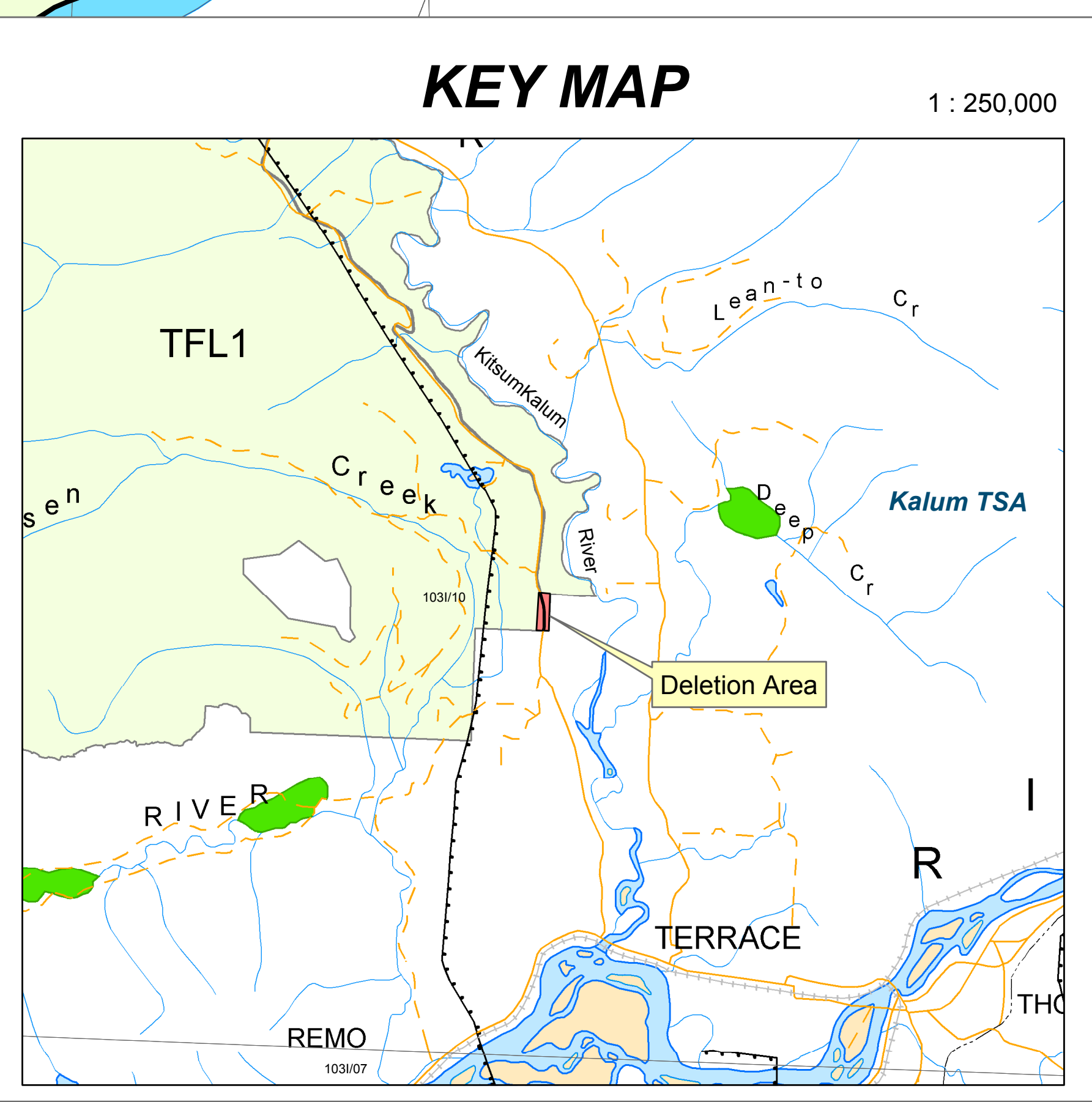
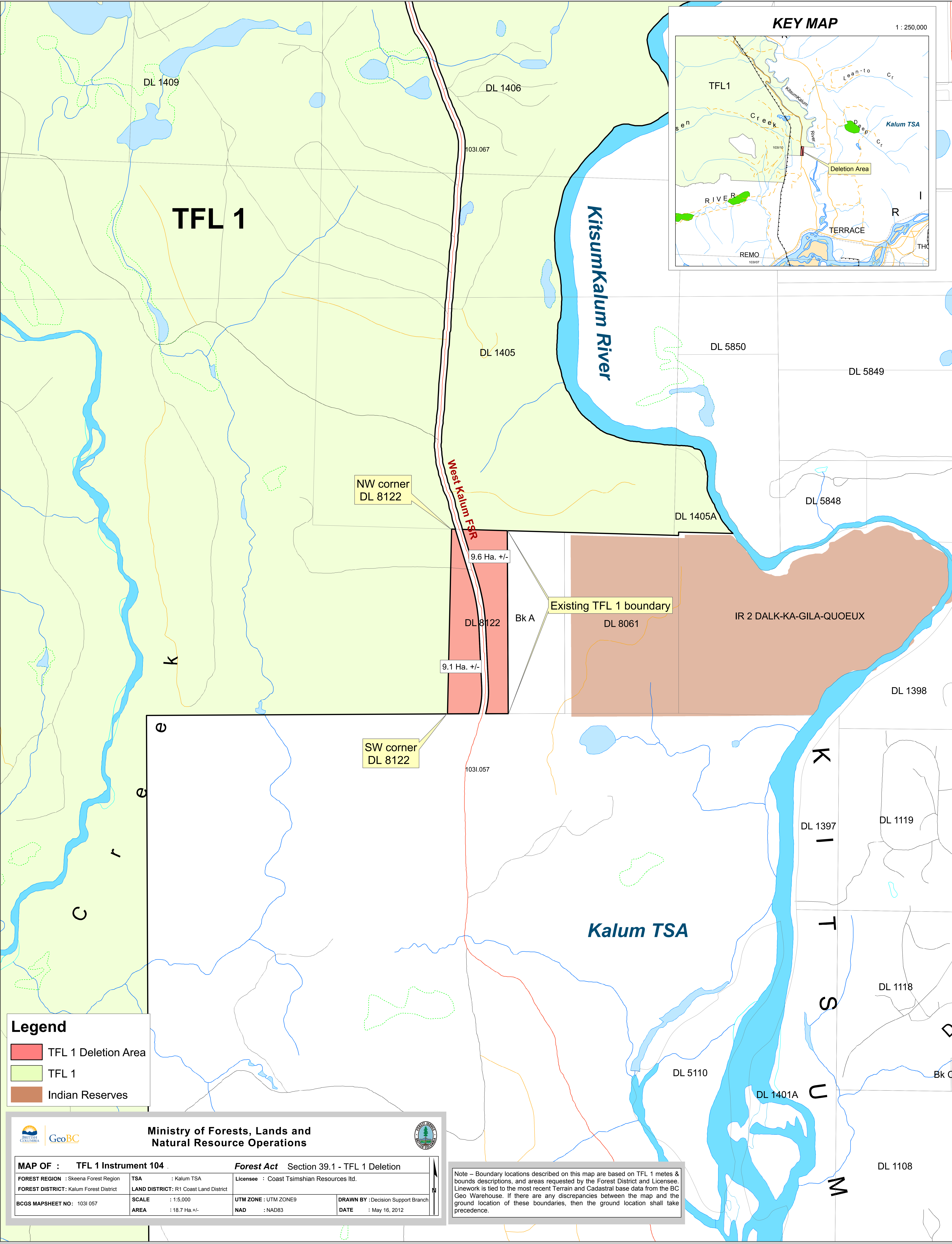
SIGNED, SEALED AND DELIVERED)
by the MINISTER OF FORESTS, LANDS)
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OPERATIONS on behalf of Her Majesty)
The Queen in Right of the Province of)
British Columbia in the presence of:)

_____)

_____)



_____)


A/ ASSISTANT DEPUTY MINISTER
TENURES, COMPETITIVENESS AND
INNOVATION DIVISION
OF FORESTS, LANDS
AND NATURAL RESOURCE
OPERATIONS




Legend


- TFL 1 Deletion Area
- TFL 1
- Indian Reserves



Ministry of Forests, Lands and Natural Resource Operations



MAP OF : TFL 1 Instrument 104				Forest Act Section 39.1 - TFL 1 Deletion			
FOREST REGION : Skeena Forest Region		TSA : Kalum TSA		Licensee : Coast Tsimshian Resources Ltd.			
FOREST DISTRICT: Kalum Forest District		LAND DISTRICT: R1 Coast Land District					
BCGS MAPSHEET NO: 1031 057		SCALE : 1:5,000		UTM ZONE : UTM ZONE9		DRAWN BY : Decision Support Branch	
		AREA : 18.7 Ha. +/-		NAD : NAD83		DATE : May 16, 2012	



Note – Boundary locations described on this map are based on TFL 1 metes & bounds descriptions, and areas requested by the Forest District and Licensee. Linework is tied to the most recent Terrain and Cadastral base data from the BC Geo Warehouse. If there are any discrepancies between the map and the ground location of these boundaries, then the ground location shall take precedence.



June 7, 2012

Ref. 30026

John Lawrence
Chief Operating Officer
Brinkman and Associates
520 Sharpe Street
New Westminster, B.C.
V3M 4R2

Dear Mr. Lawrence,

Thank you for taking the time to meet with Phil Symington and me on Friday, May 18, 2012, in which we discussed the current status of treaty negotiations with the Kitsumkalum First Nation (Kitsumkalum). I found our meeting and exchange of information very constructive and helpful.

During our discussions, we expressed the Province's interest in transferring the parcel of land identified in red on the attached map to Kitsumkalum. The parcel falls within the proposed Kitsumkalum treaty settlement land package and is proposed for early transfer in fee simple to Kitsumkalum as part of an Incremental Treaty Agreement (ITA) aimed at fostering economic development. As we noted in the meeting, a portion of that parcel lies within your client, Coast Tsimshian Resource's (CTR) Tree Farm Licence 1 (TFL 1). The Province wishes to delete this area from TFL 1 to facilitate the early transfer of these lands to Kitsumkalum. We are hopeful that the Kitsumkalum ITA will be signed shortly and we would like to begin the preparations for transfer of the lands in fee simple as soon as possible after signing.

In our meeting, you offered to seek CTR's consent to the removal of this parcel from TFL 1 on the understanding that compensation for this deletion would be addressed at treaty effective date as part of compensation that may be payable to CTR for the impacts of the treaty. CTR's consent would facilitate the timely transfer of this land by negating the need for Minister Polak to provide one year's prior notice for the deletion under section 60.5 of the *Forest Act*.

I confirm the Province's interest in pursuing this small deletion from CTR's TFL 1 and respectfully request that you seek CTR's consent to this deletion. If CTR concurs, I ask that both you and a representative of CTR sign this letter in the space provided below. By signing this letter, CTR will be agreeing that it provides consent under section 39.1 of the *Forest Act* to the Minister of Forests, Lands, and Natural Resource Operations to amend TFL 1 to delete the area identified in red on the attached map.

.../2

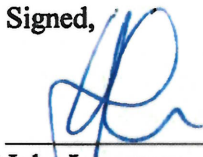
The Province appreciates your, and CTR's, spirit of cooperation in these negotiations. I look forward to engaging further with you on how CTR, the Province and Kitsumkalum can further cooperate and collaborate on forestry operations in the Kalum district. It is this spirit of cooperation and relationship building that makes treaty making possible.

Sincerely,



Cory Herrera
Senior Negotiator
Ministry of Aboriginal Relations and Reconciliation

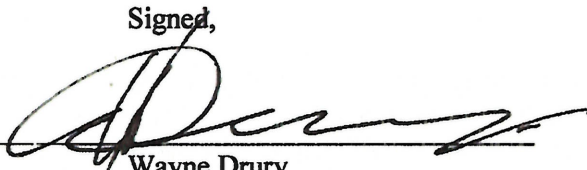
Signed,



John Lawrence,
Chief Operating Office
Brinkman and Associates

13 July, 2012
Date

Signed,



Wayne Drury
Chief Executive Officer
Coast Tsimshian Resources

13 July 2012.
Date

Attachment: TFL 1 Instrument 104 Map

cc:

Adele Parnell, Senior Negotiations Advisor
Forests, Lands, and Natural Resource Operations

Kelly Finck, Senior Timber Tenure Forester
Forests, Lands, and Natural Resource Operations

Neil Edwards, First Nations Policy Forester
Forests, Lands, and Natural Resource Operations

Mark Lofthouse, Chief Negotiator
Aboriginal Relations and Reconciliation

Badema Karabegovic, Director, Cost Sharing Arrangements
Aboriginal Relations and Reconciliation

